VZCZCXRO8837
PP RUEHCHI RUEHDT RUEHHM
DE RUEHHI #0895/01 1101001
ZNR UUUUU ZZH
P 201001Z APR 06
FM AMEMBASSY HANOI
TO RUEHC/SECSTATE WASHDC PRIORITY 1538
INFO RUEHHM/AMCONSUL HO CHI MINH CITY 0981
RUEHZS/ASEAN REGIONAL FORUM COLLECTIVE

UNCLAS SECTION 01 OF 02 HANOI 000895

STPDTS

SENSITIVE SIPDIS

STATE FOR EAP/MLS

E.O. 12958: N/A

TAGS: PGOV PREL PINR VM

SUBJECT: Party Begins 10th Congress

Ref: A) Hanoi 848; B) Hanoi 30; C) Hanoi 628; D) HCMC 320

HANOI 00000895 001.2 OF 002

Summary

11. (SBU) The Communist Party opened its 10th National Party Congress (NPC) April 18 with a five-year review of Party achievements and failures that included a reference to an ongoing corruption scandal that has claimed a number of high-level officials (Ref A). The final draft of the Party's Political Report, currently being considered for adoption at the NPC, appears to be little changed from a previous draft that had been circulated for public review. It paves the way for Party members to engage in capitalist activities. A modest change in the way the Party will select its General Secretary has also been introduced: the Central Committee

SIPDIS

will now nominate the new Party General Secretary based on a "survey" of the NPC's 1,176 delegates. The new Politburo, Party Secretariat and General Secretary will be announced on April 25. End Summary.

Party Begins Congress on a Contrite Tone

12. (SBU) The Communist Party of Vietnam's (CPV) 10th National Congress opened April 18 with a speech by Party General Secretary Nong Duc Manh that extolled the achievements of the past five years, including high economic growth, domestic stability and secure external relations. However, Manh said, significant problems remain: the country's economic growth has not matched its potential, and Vietnam's competitiveness is still weak; economic restructuring has moved at a snail's pace; outdated social and cultural policies remain; and, the country has been slow to develop its human resources and "reform its political system." In a direct reference to the ongoing PMU-18 scandal (Ref A), Manh noted that, "several officials and Party members holding high positions lacked capability, responsibility, and moral fiber and thus could not fulfill their duties."

Political Report

13. (SBU) Among the tasks ahead for the 1,176 NPC delegates are to discuss and approve the Party's Political Report (Ref B), the final draft of which has been circulated among congress participants and is now available online (in Vietnamese) at www.cpv.org.vn. A rough comparison by Embassy Hanoi and ConGen HCMC of this final draft with an

earlier version shows that not much has changed, and that the month-long campaign to canvass public opinion (Refs C and D) appears to have had little impact on the report's contents. Nevertheless, it still makes reference to allowing Party members to engage in capitalist activities, a significant, but overdue, recognition of current realities in Vietnam. Deputy Prime Minister Vu Khoan underlined the importance of this matter to the Party when he told the press on April 19 that Party members must be able to do business "without restrictions."

A Slightly New Way of Doing Things

14. (SBU) Although the Party does not appear ready to adopt the rumored "direct election" of the General Secretary by the NPC's assembled delegates, there will nonetheless be a modest change in the selection process. The delegates will continue as before to elect the new Central Committee, which in turn will nominate the General Secretary and elect the Politburo and Party Secretariat. However, on April 17, Party Ideology and Cultural Commission Deputy Director Dao Dzuy Quat announced that the 1,176 delegates will vote on the Central Committee and then each will submit a form with their personal nominations for General Secretary. The Central Committee will then consider potential General Secretary nominees based on this "survey," and the new

SIPDIS

Politburo will make the final decision. The election for the new Central Committee will take place on April 23, and the new General Secretary, Politburo and Party Secretariat will be announced on April 25, the closing day of the NPC.

Comment

 $\P5.$ (SBU) The introduction of a new factor in the selection of the Party's leadership, while modest, will no doubt be trumpeted by the Party as "advancing democracy." We will reserve on judgment on this and to what extent, if any, this

HANOI 00000895 002.2 OF 002

new nomination process impacts the ultimate selection of a new Party chief. End Comment.

MARINE